



4004

ANNUAL REPORT

OF

Name: LEMONWEIR VALLEY TELEPHONE COMPANY

Principal Office: 122 MAIN STREET
P.O. BOX 267
CAMP DOUGLAS, WI 54618-0267

For the Year Ended: DECEMBER 31, 1997

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MR. PAUL BERG of
(Person responsible for accounts)

LEMONWEIR VALLEY TELEPHONE COMPANY , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MR. PAUL BERG 04/30/1998
(Person responsible for accounts) (Date)

SECRETARY/MANAGER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LEMONWEIR VALLEY TELEPHONE COMPANY
Utility Location: 122 MAIN STREET
P.O. BOX 267
CAMP DOUGLAS, WI 54618-0267

Utility Web Site Address:

When was utility organized?: 01/01/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR PAUL D. BERG
Title: SECRETARY/MANAGER

Office Address: 122 MAIN STREET
P.O. BOX 267
CAMP DOUGLAS, WI 54618

Fax Number: (608) 427 - 3438
Telephone Number: (608) 427 - 6515
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Individual or firm, if other than utility employee, preparing this report

Name: MR GARY L. MEIER
Title: CERTIFIED PUBLIC ACCOUNTANT
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Person responsible for financial information contained in report

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IDENTIFICATION AND OWNERSHIP

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:	LVT CORPORATION (EFFECTIVE 01/01/1998)
Form of Interest:	EQUITY
Extent Of Interest:	100% OWNERSHIP

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	2,358,709	2,201,029	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	259,116	265,863	2
Plant Nonspecific Operations Expense	417,463	336,851	3
Customer Operations Expense (6610-6620)	294,991	264,527	4
Corporate Operations Expense (6710-6790)	339,967	311,231	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	451,833	423,591	7
Total Operating Expenses	1,763,370	1,602,063	8
Net Operating Income	595,339	598,966	9
Other Income			
Nonoperating Income and Expense (7300)	678,477	490,497	10
Nonoperating Taxes (7400)	269,312	195,045	11
Interest and Related Items (7500)	122,297	126,732	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	8,702	19,712	14
Total Nonoperating Income	295,570	188,432	15
Net Income	890,909	787,398	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- A. TELEPHONE PLANT IN SERVICE IS RECORDED AT ORIGINAL COST AND DEPRECIATION IS COMPUTED ON THE STRAIGHT-LINE BASIS FOR STATEMENT PURPOSES. THE PROVISION RATES ARE APPLIED TO GROUP ACCOUNT ASSETS FOR COMPUTATION OF ANNUAL DEPRECIATION. RETIREMENTS ARE RECORDED USING AVERAGE UNIT COSTS. MAINTENANCE COSTS ARE EXPENSED AS INCURRED.

- B. REDUCTION OF INCOME TAXES DUE TO INVESTMENT TAX CREDIT IS DEFERRED AND IS BEING AMORTIZED OVER THE SERVICE LIFE OF THE PLANT WHICH CREATED THE CREDIT. THE COMPANY AMORTIZED \$9,151 AND \$9,253 OF INVESTMENT CREDIT FOR THE YEARS 1997 AND 1996, RESPECTIVELY.

- C. INTEREST IS CAPITALIZED ON ALL MAJOR CONSTRUCTION PROJECTS ORIGINALLY ESTIMATED TO COST MORE THAN \$100,000. INTEREST TOTALING \$3,622 WAS CAPITALIZED DURING 1997 AT THE COMPANY'S COST OF DEBIT FUNDS. PAYROLL TAXES AND EMPLOYEES' INSURANCE COSTS ARE CAPITALIZED ON ALL PLANT ADDITIONS. THIS CAPITALIZATION IS BEING TREATED AS ADDITIONS TO TELEPHONE PLANT FOR BOTH STATEMENT AND TAX PURPOSES.

- D. EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF LONG-TERM DEBT ARE DEFERRED AND WILL BE AMORTIZED OVER THE LIFE OF THE RESPECTIVE DEBT ISSUES ON A STRAIGHT-LINE BASIS.

- E. THE COMPANY HAS A PROFIT-SHARING PLAN FOR COMPANY EMPLOYEES WHICH IS ADMINISTERED BY A TRUSTEE. CONTRIBUTIONS ARE MADE EACH YEAR BASED ON 2 PERCENTAGE OF EMPLOYEES WAGES. PROFIT-SHARING EXPENSE AMOUNTED TO \$44,722 FOR 1997 AND \$42,334 FOR 1996,

- F. UNDER THE MOST RESTRICTIVE PROVISION OF THE LONG-TERM DEBT AGREEMENT, \$2,342,941 OF THE RETAINED EARNINGS IS RESTRICTED AGAINST THE PAYMENT OF DIVIDENDS AS OF DECEMBER 31, 1997.

- G. DURING 1996 THE COMPANY ENTERED INTO A CONTRACT WITH AN AREA SCHOOL DISTRICT TO PROVIDE DISTANCE LEARNING EQUIPMENT. UNDER THE TERMS OF THE CONTRACT, THE COMPANY RECEIVED AN ADVANCE PAYMENT OF \$49,244 TO PROVIDE AND MAINTAIN CERTAIN NETWORK EQUIPMENT FOR A SEVENTY-SEVEN MONTH PERIOD BEGINNING AUGUST 15, 1996. THIS PAYMENT HAS BEEN DEFERRED AND WILL BE RECOGNIZED AS INCOME OVER THE PERIOD OF THE CONTRACT.

- H. REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF THE PERIOD IN WHICH THEY ARE BILLED.

REVENUE FOR INTRASTATE SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES AS FILED WITH STATE PUBLIC SERVICE COMMISSION. THESE ACCESS CHARGES ARE BILLED TO THE LONG DISTANCE CARRIERS AND RETAINED BY THE COMPANY.

REVENUE FOR INTERSTATE ACCESS SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES FILED BY THE NATIONAL EXCHANGE CARRIER ASSOCIATION (NECA) WITH THE FEDERAL COMMUNICATIONS COMMISSION (FCC) ON BEHALF OF THE MEMBER COMPANIES. THESE ACCESS CHARGES ARE BILLED BY THE COMPANY TO THE INTERSTATE LONG DISTANCE CARRIER, AND POOLED WITH LIKE REVENUES FROM ALL NECA MEMBER COMPANIES. THE PORTION OF THE POOLED ACCESS CHARGE REVENUE RECEIVED BY THE COMPANY IS DETERMINED BASED ON NATIONWIDE AVERAGE COST SCHEDULES. EFFECTIVE IN 1994, THE COMPANY IMPLEMENTED EXTENDED COMMUNITY CALLING (ECC) WHICH WAS MANDATED BY THE WISCONSIN PUBLIC SERVICE COMMISSION FOR ALL LOCAL TELEPHONE COMPANIES IN WISCONSIN. ECC EXTENDED THE CALLING

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

ALL LOCAL TELEPHONE COMPANIES IN WISCONSIN. ECC EXTENDED THE CALLING AREAS FOR LOCAL EXCHANGE SUBSCRIBERS AND REDUCED THE ACCESS AND BILLING AND COLLECTION CHARGES TO INTEREXCHANGE TELEPHONE CARRIERS. THE REDUCED REVENUE BEING CHARGED TO INTEREXCHANGE CARRIERS WAS PARTIALLY OFFSET BY LOCAL SERVICE REVENUE FROM THE EXTENDED COMMUNITY CALLING.

I. THE COMPANY ACCOUNTS FOR INCOME TAXES UNDER THE PROVISIONS OF THE STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 109, "ACCOUNTING OF INCOME TAXES," ISSUED BY THE FINANCIAL ACCOUNTING STANDARDS BOARD. DUE TO THE

REGULATED NATURE OF THE COMPANY'S UTILITY BUSINESS, THE COMPANY RECORDED ANY CHANGE OR ADDITIONS TO DEFERRED TAXES UNDER THE PROVISIONS OF THE STANDARD, AS A REGULATORY LIABILITY ACCOUNT. THE REGULATORY ACCOUNT WILL BE CONSIDERED AND AMORTIZED TO INCOME IN THE FUTURE AS DIRECTED BY THE PUBLIC SERVICE COMMISSION OF WISCONSIN. THE COMPANY HAS RECOGNIZED THE FOLLOWING DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES:

THE COMPANY HAS RECORDED INCOME TAXES ON NET UNDISTRIBUTED INCOME FROM THE

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.
-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	3,318,987	3,006,996	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	3,318,987	3,006,996	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	48,530	57,207	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	48,530	57,207	
Other Accounts Receivable (1190)*	312,614	167,154	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	312,614	167,154	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	7,681	6,612	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	368,825	230,973	
SUPPLIES			
Inventories (1220)*	30,850	28,451	13
TOTAL SUPPLIES	30,850	28,451	
PREPAYMENTS			
Total Prepayments (1280)*	19,748	22,517	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	19,748	22,517	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	3,738,410	3,288,937	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	161,400	161,400	22
Nonregulated Investments (1406)*	1,514,775	1,502,947	23
Unamortized Debt Issuance Expense (1407)*	1,255	1,325	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	9,348	18,031	26
TOTAL INVESTMENTS	1,686,778	1,683,703	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*			29
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	1,686,778	1,683,703	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	6,441,998	6,331,651	30
Less: Accumulated Depreciation (3100)*	4,152,762	3,810,093	31
Less: Accumulated Amortization--Capitalized Leases (3410)*			32
Less: Accumulated Amortization--Leasehold Improvements (3420)*			33
Less: Accumulated Amortization--Intangible (3500)*			34
NET TELECOMMUNICATIONS PLANT IN SERVICE	2,289,236	2,521,558	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			37
Less: Accumulated Depreciation--Nonoperating (3300)*			38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	424,072		39
TOTAL TPUC	424,072	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			40
Less: Accumulated Amortization--Other (3600)*			41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	2,713,308	2,521,558	
TOTAL ASSETS AND OTHER DEBITS*	8,138,496	7,494,198	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	262,455	80,377	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	425	571	3
Customer Deposits (4040)*	4,135	4,842	4
Current Maturities--Long-Term Debt (4050)*	92,100	87,700	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	15,385	144,963	7
Other Taxes--Accrued (4080)*	2,794	1,116	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	24,494	21,205	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES*	401,788	340,774	
LONG-TERM DEBT			
Funded Debt (4210)*	2,309,927	2,403,731	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	2,309,927	2,403,731	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	45,907	55,058	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	(112,742)	(49,023)	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	40,471	49,596	26
Deferred Tax Regulatory Liability (4361)*	53,471	53,471	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	27,107	109,102	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	437,225	437,225	28
Additional Paid-in Capital (4520)*	18,953	15,883	29
Treasury Stock (4530)*	4,200	600	30
Other Capital (4540)*			31
Retained Earnings (4550)*	4,947,696	4,188,083	32
TOTAL STOCKHOLDERS' EQUITY*	5,399,674	4,640,591	
TOTAL LIABILITIES AND OTHER CREDITS*	8,138,496	7,494,198	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	903,831	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	376,738	2
Interest during construction	(3,622)	3
Changes in assets and liabilities:		
Current assets (net)	(137,482)	4
Other noncurrent assets	8,613	5
Other current liabilities	56,614	6
Other liabilities and deferred credits	(81,995)	7
Other (specify):		
TOTAL ADJUSTMENTS	218,866	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	1,122,697	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(564,866)	8
Investments in affiliated companies	0	9
Nonoperating Investments	(11,828)	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(576,694)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(89,264)	12
Net changes in stockholder equity other than retained earnings	(530)	13
Change in short term borrowing (net)	0	14
Dividends paid	(144,218)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(234,012)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	311,991	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

-
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

NONE

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE

7. Changes in articles of incorporation or amendments to charter.

NONE

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Computer Systems, LLC	CS, LLC	1

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)	
Docket		3110-AT-000100				
Name of Affiliate		CS, LLC				1
Designate whether billed to or from:		FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		M				3
Revenues						4
Expenses:						
Plant Specific Operations Expense						5
Plant Nonspecific Operations Expense		112,257				6
Customer Operations Expense						7
Corporate Operations Expense						8
Total Operating Expenses		112,257	0	0	0	9
Other:						
Plant Accounts		12,628				10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other						14
Total		124,885	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities		53.60				16
If cost based, rate of return on equity or markup incorporated in billings						17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Computer Systems, LLC	4010	12,306	1

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off	31,492	1
Uncollectibles written off during the year	31,900	2
Net write offs during the year	408	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	0	1
Other:		
WITS - 262 SHARES CLASS B COMMON STOCK - 100 PAR	0	2
1 SHARE CLASS A COMMON STOCK - 200 PAR	26,400	3
SYMETRICS - 10,000 SHARES	15,000	4
COMPUTER SYSTEMS, LLC - 10% ownership	120,000	5
Total Investments in Nonaffiliated Companies	161,400	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
RSA #7 CELLULAR PARTNERSHIP	1,119,382	1
RSA #6 CELLULAR PARTNERSHIP	250,500	2
INTERNET EQUIPMENT - NET OF RESERVE FOR DEPREC.	60,331	3
DISTANCE LEARNING - NET OF RESERVE FOR DEPREC.	34,520	4
INVENTORY (ACCOUT 1406.12)	14,458	5
LEASED TELEPHONE EQUIP. - NET OF RESERVE FOR DEPR.	34,584	6
FIBER COOP.	1,000	7

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	0

1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	14,028		1
Motor Vehicles	2112	96,003		2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115			5
Other Work Equipment	2116	126,772	29,688	6
Buildings	2121	561,551	31,540	7
Furniture	2122	41,627	9,163	8
Office Equipment	2123	35,886	9,876	9
General Purpose Computers	2124	77,745	12,628	10
TOTAL--GENERAL SUPPORT ASSETS:		953,612	92,895	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211			11
Digital Electronic Switching	2212	1,192,734	9,472	12 A
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220			14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	714,157	471	16 A
TOTAL--CENTRAL OFFICE ASSETS:		1,906,891	9,943	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311			17
Customer Premises Wiring	2321			18
Large Private Branch Exchanges	2341			19
Public Telephone Terminal Equipment	2351	25,682		20 B
Other Terminal Equipment	2362			21
TOTAL--INFORMATION ORIG/TERM ASSETS:		25,682	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	18,651	51	22
Aerial Cable	2421	63,358	1,629	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,363,457	39,538	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425			27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431			29
Conduit Systems	2441			30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,445,466	41,218	
AMORTIZABLE ASSETS				
Capital Leases	2681			31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			14,028	1
2112			96,003	2
2113			0	3
2114			0	4
2115			0	5
2116			156,460	6
2121			593,091	7
2122			50,790	8
2123	5,146	0	40,616	9
2124			90,373	10
	5,146	0	1,041,361	
2211			0	11
2212	0	(4,923)	1,197,283	12 A
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	4,923	719,551	16 A
	0	0	1,916,834	
2311			0	17
2321			0	18
2341			0	19
2351		(25,682)	0	20 B
2362			0	21
	0	(25,682)	0	
2411			18,702	22
2421	296	0	64,691	23
2422	0	0	0	24
2423	2,585	0	3,400,410	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	2,881	0	3,483,803	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682		32
Intangibles	2690		33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	6,331,651	144,056
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	8,027	(25,682)	6,441,998	
2001			0	34
			6,441,998	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	25,392	1,118	1
Company Communications Equipment	2123.2	10,494	8,758	2
Software	2212.1			3
Digital Switching - Central Office	2212.2	1,192,734	9,472	4 c
Digital Switching - Remote	2212.3			5
Step by Step Switching	2215.1			6
Crossbar Switching	2215.2			7
Satellite and Earth Station Facilities	2231.1			8
Other Radio Facilities	2231.2			9
Digital Circuit Equipment	2232.1	714,157	471	10 c
Analog Circuit Equipment	2232.2			11
Light Wave Circuit Equipment	2232.3			12
Aerial Cable - Nonmetallic	2421.1			13
Aerial Cable - Metallic	2421.2	63,358	1,629	14
Underground Cable - Nonmetallic	2422.1			15
Underground Cable - Metallic	2422.2			16
Buried Cable - Nonmetallic	2423.1	624,631		17 D
Buried Cable - Metallic	2423.2	2,738,826	39,538	18 D
Submarine Cable - Nonmetallic	2424.1			19
Submarine Cable - Metallic	2424.2			20
Intrabuilding Cable - Nonmetallic	2426.1			21
Intrabuilding Cable - Metallic	2426.2			22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			26,510	1
2123.2	5,146		14,106	2
2212.1			0	3
2212.2		(4,923)	1,197,283	4 c
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1		4,923	719,551	10 c
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2	296		64,691	14
2422.1			0	15
2422.2			0	16
2423.1		(130,599)	494,032	17 D
2423.2	2,585	130,599	2,906,378	18 D
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	49,712	10.62	10,200	1
Aircraft	2113				2
Special Purpose Vehicles	2114				3
Garage Work Equipment	2115				4
Other Work Equipment	2116	79,953	10.0	15,591	5
Buildings	2121	267,255	3.3	19,555	6
Furniture	2122	24,541	10.0	4,404	7
Office Equipment	2123	24,310	20.0	7,507	8
General Purpose Computers	2124	59,054	25.0	21,060	9
Total-- GENERAL SUPPORT ASSETS		504,825		78,317	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211				10
Digital Electronic Switching	2212	1,147,120	4.2	50,163	11
Electro-Mechanical Switching	2215				12
Operator Systems	2220				13
Radio Systems	2231				14
Circuit Equipment	2232	410,737	6.88	49,302	15
Total-- CENTRAL OFFICE ASSETS		1,557,857		99,465	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311				16
Customer Premises Wiring	2321				17
Large Private Branch Exchanges	2341				18
Public Telephone Terminal Equipment	2351	25,660	13.6	23	19E
Other Terminal Equipment	2362				20
Total-- INFORMATION ORIG/TERM ASSETS		25,660		23	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	18,651	.27	51	21
Aerial Cable	2421	52,109	4.14	2,652	22
Underground Cable	2422				23
Buried Cable	2423	1,650,991	5.8	196,230	24
Submarine Cable	2424				25
Deep Sea Cable	2425				26
Intrabuilding Network Cable	2426				27
Aerial Wire	2431				28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441				29
Total-- CABLE WIRE FACILITIES ASSETS		1,721,751		198,933	0
Total Accumulated Depreciation	3100	3,810,093		376,738	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					59,912	1
2113					0	2
2114					0	3
2115					0	4
2116					95,544	5
2121					286,810	6
2122					28,945	7
2123	5,146				26,671	8
2124					80,114	9
	5,146	0	0	0	577,996	
2211					0	10
2212	0				1,197,283	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				460,039	15
	0	0	0	0	1,657,322	
2311					0	16
2321					0	17
2341					0	18
2351		17		(25,666)	0	19 E
2362					0	20
	0	17	0	(25,666)	0	
2411					18,702	21
2421	296	345			54,120	22
2422	0				0	23
2423	2,585	14			1,844,622	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	2,881	359	0	0	1,917,444	
3100	8,027	376	0	(25,666)	4,152,762	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	13,815	20.0	5,169	1
Company Communications Equipment	2123.2	10,495	20.0	2,338	2
Software	2212.1				3
Digital Switching - Central Office	2212.2	1,147,120	4.2	50,163	4
Digital Switching - Remote	2212.3				5
Step by Step Switching	2215.1				6
Crossbar Switching	2215.2				7
Satellite and Earth Station Facilities	2231.1				8
Other Radio Facilities	2231.2				9
Digital Circuit Equipment	2232.1	410,737	6.88	49,302	10
Analog Circuit Equipment	2232.2				11
Light Wave Circuit Equipment	2232.3				12
Aerial Cable - Nonmetallic	2421.1				13
Aerial Cable - Metallic	2421.2	52,109	4.14	2,652	14
Underground Cable - Nonmetallic	2422.1				15
Underground Cable - Metallic	2422.2				16
Buried Cable - Nonmetallic	2423.1	55,900	5.8	28,732	17
Buried Cable - Metallic	2423.2	1,595,091	5.8	167,498	18
Submarine Cable - Nonmetallic	2424.1				19
Submarine Cable - Metallic	2424.2				20
Intrabuilding Cable - Nonmetallic	2426.1				21
Intrabuilding Cable - Metallic	2426.2				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					18,984	1
2123.2	5,146				7,687	2
2212.1					0	3
2212.2					1,197,283	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					460,039	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2	296	345			54,120	14
2422.1					0	15
2422.2					0	16
2423.1					84,632	17
2423.2	2,585	14			1,759,990	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(132,519)	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)	(53,471)	7
Net Property Related Deferred Operating Income Taxes	(185,990)	
Less: Allocation to Nonregulated Activity	(2,976)	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(183,014)	
NONPROPERTY RELATED		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	181,542	13 L
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)		15
Total Nonproperty Related Deferred Operating Income Taxes	181,542	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250	1,913			(130,606)	5
				0	6
				(53,471)	7
	1,913	0	0	(184,077)	
	(2,859)			(5,835)	8
	4,772	0	0	(178,242)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250	58,700		3,106	243,348	13 L
				0	14
				0	15
	58,700	0	3,106	243,348	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
---------------------	-------------------------------	-------------------------	----------------------------------	--------------------------------

NONE

Total Notes Payable	<u><u>0</u></u>	1
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RUS MORTGAGE NOTES	01/01/1979-01/01/1980	01/01/2014	5.0000	1
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
5.0000			2,309,927	92,100	2,402,027	1
	0	0	2,309,927	92,100	2,402,027	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common Stock	20,000	25.00	1
TOTAL COMMON STOCK	20,000		
TOTAL	<u>20,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
Common Stock	17,489	437,225	42	4,200	1
	17,489	437,225	42	4,200	
TOTAL	17,489	437,225	42	4,200	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	4,188,083	3,536,190	1
Changes:			
Balance Transferred from Income	903,831	787,398	2
Dividends Declared:			
Common	144,218	135,505	3
Preferred			4
Total Dividends Declared	144,218	135,505	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	<u>4,947,696</u>	<u>4,188,083</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	137,501	66,909	244,164	1
Nonoperating Taxes (Accts. 7410 - 7450)		56,824	212,488	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		1,173	4,386	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u><u>137,501</u></u>	<u><u>124,906</u></u>	<u><u>461,038</u></u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
3,259					451,833	1
					269,312	2
					0	3
					5,559	4
					0	5
					0	6
				28,503	28,503	7
				277	277	8
				706	706	9
3,259	0	0	0	29,486	756,190	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	572,741	553,463	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	572,741	553,463	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	143,980	137,764	11
Switched Access Revenue (5082)*	624,295	652,698	12
Special Access Revenue (5083)*	143,817	122,911	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	912,092	913,373	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	454,609	414,764	15
Special Access Revenue (5084.3)*	253,333	124,000	16 F
TOTAL INTRASTATE ACCESS REVENUES (5084)	707,942	538,764	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	71,938	72,068	30
Rent Revenue (5240)*			31
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	5,567	7,552	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	5,567	7,552	
Interstate Billing and Collection Revenue*	26,251	40,188	39 G
Intrastate Billing and Collection Revenue*	62,586	64,909	40
Total Carrier Billing and Collection Revenue (5270)*	88,837	105,097	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	166,342	184,717	
GROSS OPERATING REVENUES	2,359,117	2,190,317	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	408	(10,712)	42 H
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	408	(10,712)	
TOTAL OPERATING REVENUES	2,358,709	2,201,029	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)		0	10,803	1
Less: Nonregulated		0		2
Net Regulated	0	0	10,803	3
Total General Support Expense (6120)	31,558	35,639	13,431	4
Less: Nonregulated		0		5
Net Regulated	31,558	35,639	13,431	6
Total Central Office Switching Expense (6210)	104,194	91,309	30,920	7
Less: Nonregulated		0		8
Net Regulated	104,194	91,309	30,920	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	8,825	14,244	5,873	13
Less: Nonregulated		0		14
Net Regulated	8,825	14,244	5,873	15
Total Information Orig. / Term. Expense (6310)	3,797	1,082	2,190	16
Less: Nonregulated		0		17
Net Regulated	3,797	1,082	2,190	18
Total Cable and Wire Fac. Expense (6410)	117,489	116,842	58,035	19
Less: Nonregulated		0		20
Net Regulated	117,489	116,842	58,035	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	265,863	259,116	121,252	
Less: Nonregulated	0	0	0	
Net Regulated	265,863	259,116	121,252	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	3,561	2,428	1,235	22
Less: Nonregulated		0		23
Net Regulated	3,561	2,428	1,235	24
Total Network Operations Expense (6530)	27,988	31,836	22,541	25
Less: Nonregulated		0		26
Net Regulated	27,988	31,836	22,541	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	308,605	376,738		31
Less: Nonregulated	3,303	6,461		32
Net Regulated	305,302	370,277		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	340,154	411,002	23,776	
Less: Nonregulated	3,303	6,461	0	
Net Regulated	336,851	404,541	23,776	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	4,330		12,229	(27,362)	1
					2
	4,330	0	12,229	(27,362)	3
6120	5,430		14,225	2,553	4
					5
	5,430	0	14,225	2,553	6
6210	12,342		43,681	4,366	7
					8
	12,342	0	43,681	4,366	9
6220					10
					11
	0	0	0	0	12
6230	2,316		5,262	793	13
					14 I
	2,316	0	5,262	793	15
6310	878		(2,374)	388	16
					17
	878	0	(2,374)	388	18
6410	23,205	147	25,001	10,454	19
					20
	23,205	147	25,001	10,454	21
	48,501	147	98,024	(8,808)	
	0	0	0	0	
	48,501	147	98,024	(8,808)	
6510	489	0	704	0	22
					23
	489		704	0	24
6530	9,055		11,490	(11,250)	25
					26
	9,055	0	11,490	(11,250)	27
6540					28
					29
	0	0	0	0	30
6560			376,738		31
			6,461		32 J
			370,277		33
	9,544	0	388,932	(11,250)	
	0	0	6,461	0	
	9,544	0	382,471	(11,250)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	2,937	12,122	4,779	34
Less: Nonregulated		0		35 K
Net Regulated	2,937	12,122	4,779	36
Total Services (6620)	261,590	282,869	58,348	37
Less: Nonregulated		0		38
Net Regulated	261,590	282,869	58,348	39
TOTAL CUSTOMER OPERATIONS EXPENSE	264,527	294,991	63,127	
Less: Nonregulated	0	0	0	
Net Regulated	264,527	294,991	63,127	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	205,385	225,011	95,693	40
Less: Nonregulated		0		41
Net Regulated	205,385	225,011	95,693	42
Total General and Administrative (6720)	105,846	114,956	20,018	43
Less: Nonregulated		0		44
Net Regulated	105,846	114,956	20,018	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	311,231	339,967	115,711	
Less: Nonregulated	0	0	0	
Net Regulated	311,231	339,967	115,711	
TOTAL EXPENSES	1,181,775	1,305,076	323,866	
Less: Nonregulated	3,303	6,461	0	
Net Regulated	1,178,472	1,298,615	323,866	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	1,843		5,500		34
	1,843	0	5,500	0	35 K
6620	23,304		201,217		36
	23,304		201,217	0	37
	25,147	0	206,717	0	38
	0	0	0	0	39
	25,147	0	206,717	0	
6710	38,265		91,053		40
	38,265		91,053	0	41
6720	7,996		86,942		42
	7,996		86,942	0	43
6790			0		44
					45
					46
	46,261	0	177,995	0	47
	0	0	0	0	48
	46,261	0	177,995	0	
	129,453	147	871,668	(20,058)	
	0	0	6,461	0	
	129,453	147	865,207	(20,058)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)	3,561	2,428	1,235	2
Total: Reported in Account 6510	3,561	2,428	1,235	
Depreciat. Exp.--Tele. Plant in Service (6561)	308,605	376,738		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	308,605	376,738		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512	489		704		2
	489		704	0	
6561			376,738		3
6562					4
6563					5
6564					6
6565					7
			376,738		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to
Department of Justice and telephone relay assessments.**

Description (a)	This Year (b)	
Gross Operating Revenues	2,359,117	1
Plus: Collection of amounts previously written off	31,492	2
Less: Uncollectibles written off during the year	31,900	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	<u>2,358,709</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	572,741	1
Plus: Total Intrastate Access Revenues (5084)	707,942	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,280,683</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	2,359,117	1
Plus: Collection of amounts previously written off	31,492	2
Less: Uncollectibles written off during the year	31,900	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>2,358,709</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	572,741	1
Plus: Total Intrastate Access Revenues (5084)	707,942	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,280,683</u>	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*			1
Return from Nonregulated Use of Regulated Facilities (7130)*			2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*			5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(9,151)	(9,253)	6
Operating Federal Income Taxes (7220)*	256,989	219,929	7
Operating State and Local Income Taxes (7230)*	68,007	58,500	8
Operating Other Taxes (7240)*	140,760	129,419	9
Provision for Deferred Operating Income Taxes--Net (7250)*	(4,772)	24,996	10
TOTAL OPERATING TAXES (7200)*	451,833	423,591	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	180	136	11
Interest Income (7320)*	182,787	141,388	12
Income from Sinking and Other Funds (7330)*			13
Allowance for Funds Used During Construction (7340)*	3,622		14
Gains or (Losses) from the Disposition of Certain Property (7350)*			15
Other Nonoperating Income (7360)*	498,572	352,250	16
Special Charges (7370)*	6,684	3,277	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	678,477	490,497	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*			18
Nonoperating Federal Income Taxes (7420)*	260,397	218,639	19
Nonoperating State and Local Income Taxes (7430)*	69,636	58,469	20
Nonoperating Other Taxes (7440)*			21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	(60,721)	(82,063)	22
TOTAL NONOPERATING TAXES (7400)*	269,312	195,045	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	122,097	126,602	23
Interest Expense--Capital Leases (7520)*			24
Amortization of Debt Issuance Expense (7530)*	70	70	25
Other Interest Deductions (7540)*	130	60	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	122,297	126,732	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	8,702	19,712	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	179,780	1
Less: Cost of Goods Sold	0	2
Net Sales	179,780	3
Expenses (Acct. 7990.2)	171,078	4
Nonregulated Net Income	<u>8,702</u>	5

List the type of nonregulated activities that company is involved in:

NONREGULATED ACTIVITIES INCLUDE THE SALE, INSTALLATION AND MAINTENANCE OF TELEPHONE EQUIPMENT, INTERNET, CELLULAR COMMISSIONS AND DISTANCE LEARNING REVENUES .

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

NONE

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	323,866	1
Nonregulated Expense	38,959	2
Plant Accounts	14,646	3
Accumulated Depreciation Accounts	991	4
All Other Accounts	0	5
Total Salaries and Wages	378,462	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	3.00	4.00	115,542	1
Supervision and Other Management	1.00	1.00	52,810	2
Other Employees	8.00	7.00	210,110	3
Total	12.00	12.00	378,462	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	3.00	4.00	115,542	1
Supervision and Other Management	1.00	1.00	52,810	2
Other Employees	8.00	7.00	210,110	3
Total	12.00	12.00	378,462	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	169	0	1
Extended Area Service	151	0	2
Extended Community Calling	55	228	3
Other Local-Undefined	0	0	4
Total Local	375	228	
TOLL			
Operator Handled: State--intraLATA	1	3	5
Operator Handled: State--interLATA	0	0	6
Operator Handled: Interstate	0	1	7
Customer Dialed: State--intraLATA	79	228	8
Customer Dialed: State--interLATA	75	267	9
Customer Dialed: Interstate	102	418	10
WATS	0	0	11
Other Toll-Undefined	0		12
Total Toll	257	917	
Total Local & Toll	632	1,145	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.			142		5
Feature Group C -- Term.			125		6
Feature Group D -- Orig.	298	183			7
Feature Group D -- Term.	274	173			8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	5	1
Sheath miles of plant - buried	453	2
Sheath miles of plant - fiber optics	32	3
Strand miles of plant - fiber optics	625	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	51	43	1
56 kbps	14	18	2
64 kbps (DS0)	4	18	3
1.54 Mbps (DS-1)	31	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

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SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	405	477	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	42	39	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	73	76	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	0		12
Pay Telephone		28	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	43	15
Pay Stations - Public	26	0	16
- Semi-Public	5	0	17
- Cust. Owned	49	0	18
Other	0		19
Total Business Lines	600	663	20
Residential (Incl. Emp. Concess.)			
1 Party	2,485	2,575	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	2,485	2,575	27
Total Bus & Res Lines	3,085	3,238	28
Company Used Lines	41	45	29
Total Lines Used	3,126	3,283	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	1	1	3
WATS Lines - 800 Service	0		4
FX-In-intraLATA	0		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	223	79	7
Special Access-interLATA			8
(expressed in equiv. access lines)	490	813	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	144	144	13
TSPS - Trunks	24	24	14
EAS - Trunks	144	144	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
Business - 2 Party Customers	0		20
Business - 4 Party Customers	0		21
Residential - 2 Party Customers	0		22
Residential - 4 Party Customers	0		23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	5,378,039	5,400,637	27
Total Company Square Miles	200	200	28
Total Company Route Miles	484	476	29
Footnotes			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0910	3780			1
Business					2
1 Party	225	252			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	10	29			6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	18	58			9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	10	18			13
Coin-Operated Pay Telephone	0	0			14
Independent Pay Telephone Provider	24	19			15
Pay Stations - Public	0	0			16
- Semi-Public	0	0			17
- Cust. Owned	0	0			18
Other					19
Total Business Lines	287	376	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,094	1,481			22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	1,094	1,481	0	0	27
Total Bus & Res Lines	1,381	1,857	0	0	28
Company Used Lines	41	4			29
Total Lines Used	1,422	1,861	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0910	3780			1
Miscellaneous					2
WATS Lines - OutWATS	1				3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	68	11			7
Special Access-interLATA					8
(equiv. access lines)	808	5			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	144				13
TSPS - Trunks	24				14
EAS - Trunks	120	24			15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,952,372	2,448,265			27
Exchange Square Miles	140	60			28
Exchange Route Miles	258	218			29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	CAMP DOUGLAS	NEW LISBON			1
PSCW Exchange ID	0910	3780			2
Central Office Name	CAMP DOUGLAS	NEW LISBON			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	VI	VI			5
Year COE Installed	1980	1980			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	H	R			8
Remote Host PSCW Exchange ID		0910			9
Remote Host PSCW Central Office ID	0	1			10
COE Generic Software Release No.	8.01-01	1			11
SS7?	No	No			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	1,341	1,785			14
- Equipped	1,341	1,785			15
- Wired	1,684	2,284			16
Trunks - In Use	264	48			17
- Equipped	264	48			18
- Wired	264	48			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	No	No			23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	0	0			25
DS-3 - In Use	0	1			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	No			31
- In Use (# lines) ¹	0	0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	40	32			33
No. of fiber strands working (LIT) in C.O.	16	8			34
No. of fiber strands for interoffice use	12	12			35
Miles of fiber sheath in wire center	14	18			36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON			37
- PSCW C.O. ID	3080-01	3080-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	No	No			41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A) Reclassification of digital COE to circuit equipment upon update of the companys continuing property records.
- B) Reclassification of public telephone equipment to nonregulated investment per FCC order effective April 15, 1997.
- C) Reclassification of digital COE to circuit equipment upon update of the companys continuing property records.
- D) Reclassification of 1996 construction close-out from buried fiber cable to buried cable metallic.
- E) Reclassification of public telephone equipment reserve for depreciation to nonregulated investment per FCC order effective April 15, 1997.
- F) Page 40, Account 5084.3 - Special access revenue increased due to more volume and additional special circuits in place and being billed primarily to Ameritech.
- G) Page 40, Account 5260 - Interstate billing and collection revenue decreased due to some carriers now billing their own activity.
- H) Page 40, Account 5300 - Uncollectible revenue in 1996 was unusual in that some large toll reimbursements were received for prior years which is not a recurring item.
- I) Page 41, Account 6230 - Central office transmission expense increased due to miscellaneous repairs on central office equipment.
- J) Page 41, Account 6560 - Depreciation expense increased due to central office equipment additions replacing fully depreciated equipment and being depreciated in 1997. There were also 1996 and 1997 buried plant additions being depreciated in 1997.
- K) Page 41, Account 6610 - Marketing expense increased due to the hiring of an employee whose time is partially spent in this area.
- L) the \$3,106 adjustment represents an adjustment of the 1996 deferred income taxes to actual.